

United States
Lease Financing, Inc.



733 Front Street
San Francisco, California 94111
(415) 627-9276
Fax: (415) 398-7029

RECORDATION NO. 7029-D

OCT 14 1988 8 55 AM
October 12, 1988

INTERSTATE COMMERCE COMMISSION

Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, DC 20423

Attn: Mrs. Mildred Lee, Room 2303
Re: CN Trust No. 7

Gentlemen:

Enclosed for recordation under provisions of Section 11303 (formerly 20C) of the Interstate Commerce Act and the regulations promulgated thereunder, as amended, is the original and three counterparts of a Release and Termination Agreement which is a supplement to Equipment Trust Agreement No. 1, Lease of Equipment No. 1 and Assignment of Lease and Agreement No. 1, each dated April 1, 1973 and filed with the Interstate Commerce Commission on May 17, 1973 and assigned ICC Recordation Numbers 7029, 7029-A and 7029-B, respectively.

The names and addresses of the parties to the enclosed are:

OWNER-TRUSTEE:	Trust Company for USL, Inc. c/o United States Lease Financing, Inc. 733 Front Street San Francisco, CA 94111
AGENT for OWNER-TRUSTEE:	United States Leasing International, Inc. 733 Front Street San Francisco, CA 94111
TRUSTEE:	Florida National Bank, N.A. (successor to Inter National Bank of Miami) 100 N.E. 3rd Avenue Ft. Lauderdale, FL 33301-1155

8-28874041
Date 10/14/88
Fee \$ 13.00
ICC Washington, D. C.

OCT 14 8 46 AM '88
100 OFFICE OF
THE SECRETARY

Interstate Commerce Commission
October 12, 1988 - page 2


The general description of the Equipment is contained in the Exhibit to the Bill of Sale attached thereto.

The undersigned is an officer of the Owner-Trustee and is knowledgeable of the matters set forth herein.

Enclosed is a remittance of \$13.00 covering the required recording fee.

Please return three recorded copies to the attention of the undersigned.

Very truly yours,


Peter R. Ashby
Secretary

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

Peter R. Ashby
United States Leasing Financing Inc
733 Front Street
San Francisco, CA 94111

10/14/88

Dear

Sir

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/14/88 at 8:55AM, and assigned recordation number(s). 7029-D & 7034-E

Sincerely yours,

Narita L. McGee

Secretary

Enclosure(s)

RELEASE AND TERMINATION

(C.N. Trust No. 7)

RECORDATION NO.

OCT 14 1988-8 55 MAR 1

INTERSTATE COMMERCE COMMISSION

KNOW ALL MEN BY THESE PRESENTS, THAT:

WHEREAS, under Lease of Equipment No. 1, dated as of April 1, 1973 (the "Lease") between Trust Company for USL, Inc., not in its individual corporate capacity but solely as owner-trustee (the "Owner-Trustee") under a Trust Agreement No. 1 dated as of April 1, 1973 and Canadian National Railway Company (the "Railroad"), Railroad acquired the possession and use of the railroad equipment (the "Equipment"); and

WHEREAS, under Equipment Trust Agreement No. 1, dated as of April 1, 1973 by and between Florida National Bank, N.A. (successor to Inter National Bank of Miami), as trustee (the "Trustee"), the Owner-Trustee agreed to sell, assign and transfer to the Trustee the title of Equipment to be leased by the Railroad until the Owner-Trustee fulfills its obligations under the Equipment Trust Agreement No. 1; and

WHEREAS, under the Assignment of Lease and Agreement No. 1 dated as of April 1, 1973 (the "Assignment") the Owner-Trustee assigned, transferred and set over to the Trustee all of its right, title and interest as Lessor under the Lease, the Owner-Trustee's rights, powers, privileges and other benefits to secure payment of the Equipment Trust Certificates issued by the Trustee; and

WHEREAS, all obligations have been met and the final payments of the Equipment Trust Certificates were made on or about October 1, 1988, all rights assigned to the Trustee are terminated, and all estate, right, title and interest of the Trustee in and to the Equipment and Lease are hereby reverted to the Owner-Trustee; and

WHEREAS, pursuant to a Bill of Sale of even date in substantially the form attached hereto, the Owner-Trustee shall sell and convey to the Railroad all the right, title and interest of the Owner-Trustee in and to the Equipment subject to the Lease.

NOW THEREFORE, in consideration of \$1.00 and other valuable considerations, the receipt of which is hereby acknowledged, the Owner-Trustee, not in its personal or corporate capacity, but solely as owner-trustee under the above described Trust Agreement, acknowledges and declares the Lease to be satisfied and cancelled and does consent that the same be terminated and released of record, and hereby relinquishes unto the Railroad all the Owner-Trustee's right, title and interest in and to the Equipment, provided however, any claim or liability of the Owner-Trustee or the Railroad under the Lease arising from facts or circumstances existing prior to the date hereof or which under the terms of the Lease is to survive termination of the Lease shall not be released or otherwise affected hereby.

Release and Termination - C.N. Trust No. 7

The Equipment Trust Agreement No. 1, Lease of Equipment No. 1 and Assignment of Lease and Agreement No. 1 were all recorded with the Interstate Commerce Commission on May 17, 1973 and assigned ICC Recordation Numbers 7029, 7029-A and 7029-B, respectively.

The parties below have caused this instrument to be executed in their names by their duly authorized representatives as of the 1st day of October, 1988.

(SEAL)

Florida National Bank, N.A. (successor to
Inter National Bank of Miami), as Trustee for
holders of the Equipment Trust Certificates,
Series I.

By: *Holly Leo Breunlein*
Its Trust officer

(SEAL)

Trust Company for USL, Inc.
as Owner-Trustee

By: *Erin Ashley*
Its Vice President

(SEAL)

United States Leasing International, Inc.
as Agent for the Owner-Trustee

By: *Lesau Waleman*
Its Asst. Vice President

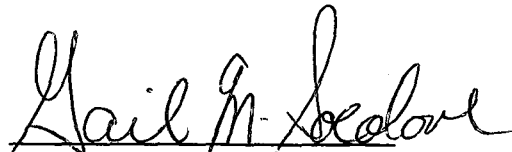
CORPORATE FORM OF ACKNOWLEDGEMENT

State of FLORIDA)

County of BROWARD)

SS:

On this 3rd day of OCTOBER, 1988, before me personally appeared HOLLY LEE ARENCIBIA, to me personally known, who being by me sworn, says that she is TRUST OFFICER of FLORIDA NATIONAL BANK, that the seal affixed to the foregoing instrument is the seal of said entity, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

(SEAL)

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. AUG 19, 1989
BONDED THRU GENERAL LPS. UND.

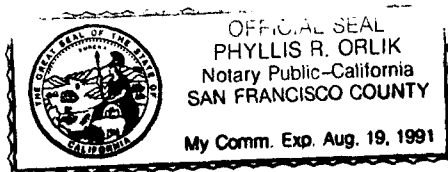
CORPORATE FORM OF ACKNOWLEDGEMENT

State of California
County of San Francisco

ss:

On this 23 day of September, 1988, before me personally appeared Peter Ashby, to me personally known, who being by me sworn, says that he is Vice President of Trust Co. for U.S.I., Inc., that the seal affixed to the foregoing instrument is the seal of said entity, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Phyllis R. Orlik
Notary Public



(SEAL)

My commission expires: Aug 19, 1991

CORPORATE FORM OF ACKNOWLEDGEMENT

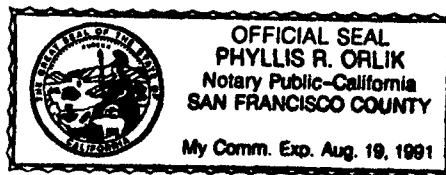
State of California)

ss:

County of San Francisco)

On this 23 day of September, 1988, before me personally appeared Dea Wakeman, to me personally known, who being by me sworn, says that she is Asst Vice President of United States Leasing International, Inc., that the seal affixed to the foregoing instrument is the seal of said entity, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Phyllis R. Orlik
Notary Public



(SEAL)

My commission expires: Aug 19, 1991

BILL OF SALE

For Valuable Consideration, TRUST COMPANY FOR USL, INC., as Trustee, (hereinafter called "Seller"), does hereby sell to CANADIAN NATIONAL RAILWAY COMPANY, (hereinafter called "Buyer"), all of Seller's right, title and interest in and to the following personal property described on Attachment A hereto (the "Equipment"), legal title to which Equipment is currently held by the Seller.

Said Equipment is sold on an "as-is, where-is" basis, without any covenant or warranty, express or implied, of any nature whatsoever except, however, that Seller covenants and warrants that it is the owner of said property and has the right to convey said property to the Buyer, and that said property is free of all liens and encumbrances created by the Seller. THE WARRANTY IN THIS PARAGRAPH IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES OF SELLER, WHETHER WRITTEN, ORAL OR IMPLIED, AND SELLER SHALL NOT BY VIRTUE OF HAVING SOLD THE EQUIPMENT HERewith, BE DEEMED TO MAKE ANY REPRESENTATION OR WARRANTY AS TO THE MERCHANTABILITY, FITNESS, DESIGN OR CONDITION OF, OR AS TO THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN, THE EQUIPMENT, OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER. By acceptance of said property transferred hereunder, Buyer agrees to pay all sales and use taxes heretofore assessed or levied against said property.

TO HAVE AND TO HOLD the Equipment unto the Buyer, its successors and assigns, for its and their own use, forever.

IN WITNESS WHEREOF, the Seller has caused this Bill of Sale to be executed on its behalf on this _____ day of _____, ____.

TRUST COMPANY FOR USL, INC.,
As Trustee

By: _____
President

ATTACHMENT A to BILL OF SALE
C.N. Trust No. 7

<u>Quantity</u>	<u>Type</u>	<u>Identifying Numbers</u>
350	52'6" 100-ton fixed end gondola cars	CN 137000 through 137349
47	89'4" double hitch flat cars	CN 682050 through 682096
100	50'6" cushioned under- frame box cars	CN 407000 through 407099
30	2000 HP M-420 diesel locomotives	CN 2500 through 2529